# FISCAL NOTE

**Bill #:** HB 15

**Title:** Eliminate statutory appropriation to Gov. office of economic development

**Primary Sponsor:** Rosalie Buzzas

**Status:** As Introduced

Sponsor signature Date

Chuck Swysgood, Budget Director Date

## Fiscal Summary

| | FY2003 Difference | FY2004 Difference | FY2005 Difference |
|---|---|---|---|
| **Expenditures:** | | | |
| General Fund | ($195,137) | ($350,000) | ($350,000) |
| **Net Impact on General Fund Balance:** | **$195,137** | **$350,000** | **$350,000** |

| Yes | No | | Yes | No | |
|---|---|---|---|---|---|
| | X | Significant Local Gov. Impact | | X | Technical Concerns |
| | X | Included in the Executive Budget | | X | Significant Long-Term Impacts |
| | X | Dedicated Revenue Form Attached | | X | Family Impact Form Attached |

## Fiscal Analysis

ASSUMPTIONS:

1. This bill would eliminate the statutory appropriation from the general fund of $350,000 to the office of economic development.
2. The statutory appropriation would be pro-rated according to the number of months remaining in the fiscal year, or according to what has already been spent and committed.
3. One FTE is being paid from this statutory appropriation. The statutory appropriation would be reduced by $350,000 less the amount paid the employee through the end of August 2002, and less the state's liability for sick and annual leave. This total is about $20,500
4. The FY03 appropriation was reduced by $134,363 in the executive 17-7-140 reductions.

FISCAL IMPACT:

| | FY2003 Difference | FY2004 Difference | FY2005 Difference |
|---|---|---|---|
| Expenditures: | | | |
| Personal Services | $20,500 | | |
| Operating Expenses | ($215,637) | ($350,000) | ($350,000) |
| TOTAL | | | |

| | | | |
|---|---|---|---|
| Funding: | | | |
| General Fund (01) | ($195,137) | ($350,000) | ($350,000) |
| | | | |
| Net Impact to Fund Balance (Revenue minus Expenditure): | | | |
| General Fund (01) | $195,137 | $350,000 | $350,000 |

TECHNICAL NOTES:

1. The effective date contained in the bill is "on passage and approval". Since the bill could not pass until sometime in August, the FY03 appropriation of the funds would already have occurred. The bill does not mention proration or reduction of the appropriation. The bill could be interpreted that the statutory appropriation would not be made beginning in FY04, since the FY03 appropriation has already been made, although this is evidently not the intention of the bill. The effective date of the bill should be changed; some adjustment must be made to allow for expenditures and obligations already made out of the statutory appropriation